GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4549
ANSWERED ON:23.12.2005
INCENTIVE SCHEMES
Narhire Smt. Kalpana Ramesh

Will the Minister of FINANCE be pleased to state:

(a) whether Nationalised banks have started any special incentive scheme for providing loans to the farmers ;

(b) if so, the targets fixed for the purpose during 2005-2006 ;

(c) whether some commercial banks have also initiated this scheme; and

(d) if so, the details thereof ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) to (d) : Government made an announcement on 18th June 2004 on doubling the flow of agricultural credit in three years by Commercial Banks. There has been a growth of 32% in credit flow to agriculture in 2004-05 over the actual disbursement during 2003-04. An overall target of Rs. 1,41,000 crore have been set for Credit Flow during 2005-06 for the agriculture sector.The June 2004 announcement also envisaged debt restructuring for farmers in distress/ arrears, one time settlement for small and marginal farmers and extension of loans to farmers indebted to informal sources. An amount of Rs. 11,710 crore was provided as debt relief during 2004-05, and 16,758 farmers indebted to informal sources were provided a credit of about Rs.57 crore in 2004-05.